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INT COMMITTEE ON OFFICES OF PROFIT

FOURTH REPORT

(THIRD LOK SABHA)

(Presented on the 30th March, 1966)

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LOK SABHA SECRETARIAT
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JOINT COMMITTEE ON OFFICES OF PROFIT

(Third Lok Sabha)

Composition of the Joint Committee

Shri G. N. Dixit—*Chairman.*

MEMBERS

Lok Sabha

2. Shri Rajendranath Barua
3. Shri M. L. Dwivedi
4. Shri N. R. Ghosh
5. Shri P. K. Ghosh
6. Shri M. M. Haq
7. Shri Harish Chandra Heda
8. Shri Paresh Nath Kayal
9. Shri Jaswantraj Mehta
10. Shri Yuveraj Dutta Singh

Rajya Sabha

*11. Shrimati Sharda Bhargava
*12. Shri M. C. Shah
13. Shri Hira Vallabha Tripathi
14. Shri K. V. Raghunatha Reddy
15. Shri Lokanath Misra

SECRETARIAT

Shri M. C. Chawla—*Deputy Secretary.*

*Elected by Rajya Sabha on the 5th May, 1964

REPORT OF THE JOINT COMMITTEE

I

INTRODUCTION

I, the Chairman of the Joint Committee on Offices of Profit, having been authorised by the Committee to present the Report on their behalf, present this Fourth Report of the Committee.

2. Subsequent to the presentation of the Third Report to the House on the 5th May, 1965, the Committee held ten sittings* on the 9th and 10th July, 13th September, 28th and 29th October, 7th December, 1965, 28th and 30th January and 9th and 23rd March, 1966 and considered 188 memoranda regarding composition and character etc. of the 'Committees' constituted by the Central and State Governments and the emoluments and allowances payable to their members.

3. Detailed information regarding the composition, character and functions etc. of the 'Committees' and emoluments and allowances payable to their members was furnished by the respective Ministries/ Departments of the Central and State Governments on request made by the Lok Sabha Secretariat.

4. The Committee considered and adopted the Report on the 23rd March, 1966.

5. The recommendations of the Committee in respect of the committees, boards etc. examined by them are given in the succeeding paragraphs.

II

COMMITTEES, BOARDS ETC. APPOINTED BY CENTRAL AND STATE GOVERNMENTS

6. The Committee considered the composition and character etc. of the Board of Directors of the Oil India Ltd., which was held over last year pending receipt of certain further information called for from the Chairman of the Board of Directors and the Ministry of Petroleum and Chemicals. The Committee have taken note of the

*Minutes of the sittings form part of the Report and are at Appendix III, Pages 14—48.

elucidations which had been furnished orally and in writing by Shri Khandubhai K. Desai, M.P., who is the Chairman of the Board of Directors of this body. The Committee observe that the Government of India hold only 50 per cent. of the shares of the Oil India Ltd., and the other 50 per cent. of the shares are held by the Burmah Oil Co. The Oil India Ltd., is thus not a "Government Company" within the meaning of Section 617 of the Companies Act, 1956. Tne Chairman is nominated alternately by the Government of India and Burmah Oil Co., and he is not entitled to any remuneration other than the "compensatory allowance" as defined in Section 2(a) of the Parliament (Prevention of Disqualification) Act, 1959. The functions of the Chairman are to preside over the meetings of the Board of Directors of the Oil India Ltd., and the executive authority thereof is vested in the Managing Director who is responsible for the management of the Company.

The Committee also note that by a resolution passed by the Board of Directors of the Oil India Ltd., on the 16th January, 1964, a Director who is a Member of Parliament cannot be called upon to perform any extra services envisaged in Article 96 of the Articles of Association of this Company.

The Committee are, therefore, of the view that the composition, functions and character of the Board of Directors of the Oil India Ltd., are such that the Chairmanship or Directorship thereof ought not to disqualify.

The Committee also recommend that their earlier recommendations contained in para 6 read with item 8 in Appendix I of the Second Report and para 9 of the Third Report of the Joint Committee on Offices of Profit (Second Lok Sabha) in respect of this body need not be given effect to.

7. The Committee, in connection with the examination of the Commission of Inquiry for certain matters connected with the murder of Mahatma Gandhi have noted that this body is a one-man Commission of Inquiry consisting of Shri G. S. Pathak, M.P., constituted under Section 3 of the Commissions of Inquiry Act, 1952. The Committee have also noted that the Commission of Inquiry is an *ad hoc* body constituted for a limited period and that Shri G. S. Pathak, M.P., while holding the said office of the Commission of Inquiry, was entitled only to 'compensatory allowance' as defined in Section 2(a) of the Parliament (Prevention of Disqualification) Act, 1959. The Committee are, therefore, of opinion that the office

of the Commission of Inquiry for certain matters connected with the murder of Mahatma Gandhi ought not to disqualify.

8. In connection with their consideration of the Punjab Administrative Reforms Commission, the Committee heard the evidence of Shri K. Hanumanthaiya, M.P., Chairman of the Commission. The Committee note that Shri K. Hanumanthaiya, M.P., as Chairman of the Commission, was entitled to T.A., D.A., etc., at the rates admissible to Members of Parliament. He was also entitled to journeys by Air and was treated as a State guest while at Chandigarh in connection with the work of the Commission. In this context, the Committee also note that Rule 15 of the Members of Parliament (Travelling and Daily Allowances) Rules, 1957 provides as follows:—

> "15. Where a Member is provided with free board and lodging at the expense of the Government of India or a State Government or a Local Fund, he shall be entitled to receive only one-half of the daily allowance admissible to him under Section 3*. If only board or lodging is allowed free to a Member, he shall be entitled to receive three-fourths of the daily allowances admissible under that Section".

The Committee are of the view that the Chairmanship of the Punjab Administrative Reforms Commission ought not to disqualify.

9. In regard to the Board of Directors of the National Newsprint and Paper Mills Ltd., Nepanagar, the Committee heard the oral evidence of Major Raja Bahadur Birendra Bahadur Singh, M.P., a Director thereof, and also of a representative of the Ministry of Industry and Supply. The Committee note that there are three main groups of shareholders of this Company, namely, (1) the Government of India (2) the Government of Madhya Pradesh, and (3) the "Other" shareholders, who hold the entire share capital in the ratio of 51:34:15 respectively. These groups are entitled to be represented by certain number of Directors and these Directors are elected on the Board at the annual general meeting of the Company, which apparently is a "Government Company". All the non-official Directors, including Major Raja Bahadur Birendra Bahadur Singh, M.P., an elected representative Director for the "Other" shareholders, are allowed Rs. 100 per day as daily allowance and Rs. 100 as the

*of the Salaries and Allowances of Members of Parliament Act, 1954.

sitting fee per sitting of the Board and the said allowance and the fee are more than "the compensatory allowance". The Committee are of opinion that even the Directorship ought to disqualify.

10. The Committee find that the members/directors of the Committees/Boards specified in Appendix I are entitled to receive remuneration which is in excess of the "compensatory allowance" as defined in Section 2(a) of the Parliament (Prevention of Disqualification) Act, 1959. They are, therefore, of opinion that the chairmanship, secretaryship and membership thereof ought not to be exempted from disqualification.

11. The Committee feel that the composition, character and functions of the Board of Directors of the Hindustan Steel Ltd., Ranchi, are such that the Chairman and Managing Director thereof ought not to be exempted from disqualification. They, therefore, recommend the inclusion of this Company in Part II of the Schedule to the Parliament (Prevention of Disqualification) Act, 1959.

12. The Committee are of the view that the composition, character and functions of the committees, boards etc., specified in Appendix II are such that their chairmanship, secretaryship or membership ought not to disqualify.

III

IMPLEMENTATION OF RECOMMENDATIONS OF THE COMMITTEE

13. The Committee had noted last year (*See* para 17 of the Third Report) that a draft Bill based on the recommendations of the Committee contained in their earlier Report was under preparation in the Ministry of Law. The Committee had also expressed the hope that the drafting of the Bill would be finalised at an early date and that the Bill would be introduced in Parliament soon. The Committee, however, regret to note that no such Bill has so far been introduced in Parliament. The Committee would like to emphasize the need for expeditious action in this regard.

G. N. DIXIT,
Chairman,
Joint Committee on Offices of Profit.

NEW DELHI;
The 23rd March, 1966.

APPENDIX I

(*Vide* para 10 of the Report)

Committees, Boards etc. whose Chairmanship, Secretaryship and Membership ought not to be exempted from disqualification.

UNDER CENTRAL GOVERNMENT

1. Agricultural Prices Commission.
2. Board of Directors of Bharat Earth Movers Ltd.
3. Board of Directors of the Deposit Insurance Corporation.
4. Board of Directors of the Film Finance Corporation Ltd., Bombay.
5. Board of Directors of the Mogul Line Ltd.
6. Board of Directors of the Rehabilitation Industries Corporation Ltd.
7. Executive Committee of the Board of Directors of the Deposit Insurance Corporation.
8. Food Corporation of India.
9. National Advisory Committee to review the working of the National Scholarships Scheme.

UNDER STATE GOVERNMENT

Maharashtra

1. Board of Examiners for the State of Maharashtra.
2. Maharashtra Industrial Development Corporation.

APPENDIX II

(*Vide* para 12 of the Report)

Committees, Boards etc. whose Chairmanship, Secretaryship or Membership ought not to disqualify

UNDER CENTRAL GOVERNMENT

1. Advisory Board for the College of Military Engineering, Kirkee.
2. Advisory Board for the Electrical and Mechanical Engineering School (Army).
3. Advisory Board for the School of Signals (Army), Mhow.
4. Advisory Committees attached to Small Industries Service Institutes.
5. Advisory Council for Lacadive, Minicoy and Amindivi Islands.
6. Advisory Committee for the Film Institute of India, Poona.
7. Advisory Council for the National Academy of Administration, Mussoorie.
8. Advisory Committee of Rain and Cloud Physics Research Unit.
9. Advisory Committee on Machine Guarding.
10. Aeronautical Research and Development Panel.
11. Armed Forces Medical Research Committee.
12. Board of Governors, Indian Institute of Technology, Delhi.
13. Board of Scientific and Industrial Research.
14. Central Advisory Board for Harijan Welfare.
15. Central Advisory Committee for Advertising and Visual Publicity.
16. Central Advisory Committee for Venereal Diseases and Yaws.
17. Central Haj Committee.

18. Central Joint Standing Committee (Cement).

19. Central Wage Board for Coal Mining Industry, Bombay.

20. Central Wage Board for Coffee Plantations Industry, Calcutta.

21. Central Wage Board for Iron and Steel Industry, Indore.

22. Central Wage Board for Iron Ore Mining Industry, Calcutta.

23. Central Wage Board for Limestone and Dolomite Mining Industries, Calcutta.

24. Central Wage Board for Non-journalist Employees of Newspapers, Indore.

25. Central Wage Board for Rubber Plantations Industry, Calcutta.

26. Central Wakf Council.

27. Committee Co-ordinating Technical Teachers' Training Programme.

28. Committee for Research in Planning and Development.

29. Committee for the development of Shanti Vana.

30. Committee on Child Welfare.

31. Committee on Natural Resources.

32. Committee to consider matters relating to the installation of statues of national leaders in Delhi.

33. Co-ordination Committee of Planning Forums in the Planning Commission.

34. Co-ordination Committee on the Urban Community Development Programme.

35. Cotton Textiles Export Promotion Council.

36. Council of Indian Institutes of Technology.

37. Defence Electronics Research Committee.

38. Departmental Promotion Committee to consider cases for Merit Promotions and Advance Increments to Scientists in the Defence Science Service.

39. Evaluation Advisory Board.

40. Executive Council for Birla Industrial and Technological Museum.

41. Executive Council for Central Indian Medicinal Plants Organisation, Lucknow.

42. Executive Council for Central Mechanical Engineering Research Institute, Durgapur.

43. Executive Council for Central Public Health Engineering Research Institute, Nagpur.

44. Executive Council for Indian Institute of Petroleum, Dehra Dun.

45. Executive Council for Central Salt and Marine Chemical Research Institute, Bhavnagar.

46. Executive Council for Central Scientific Instruments Organisation, Chandigarh.

47. Executive Council for Indian National Scientific Documentation Centre, New Delhi.

48. Executive Council for National Metallurgical Laboratory, Jamshedpur.

49. Executive Council for Publications and Information Directorate.

50. Executive Council for the National Aeronautical Laboratory, Bangalore.

51. Export Inspection Council.

52. Export Promotion Advisory Committee, Northern Region.

53. Faculty Committee for Post Graduate Diploma Courses in Rural Economics and Cooperation and Rural Sociology and Community Development.

54. Indian National Committee for Astronomy.

55. Indian National Committee for Biophysics.

56. Indian National Committee for Mathematics.

57. Indian National Committee for Space Research.

58. Indian National Committee for Type-Cultures of Micro-organisms.

59. Institute of Armament Technology Advisory Board.

60. Institute of Nuclear Medicine and Allied Sciences Advisory Committee.

61. Joint Committee for Study of Indian Culture and Civilisation with a view to its projection abroad.

62. Metals Research Committee.

63. National Committee for Bio-Chemistry.

64. National Committee for Crystallography.

65. National Committee for Geodesy and Geophysics.

66. National Committee for Pure and Applied Physics.

67. National Committee for International Quiet Sun Year.

68. National Committee for Radio Sciences.

69. National Committee for the International Hydrological decade.

70. National Committee to co-ordinate and review the Progress and Results of Nation-wide Agricultural Demonstrations.

71. Naval Research and Development Panel.

72. P. & T. Advisory Council, New Delhi.

73. Panel of Farmers to advise the Agricultural Prices Commission.

74. Panel of Scientists to advise Government on various matters falling in the field of animal Husbandry.

75. Panel on Cement Industry.

76. Panel on Housing and Regional Planning.

77. Port Import Advisory Committees at Bombay/Calcutta/Madras/Delhi/Panjim (Goa).

78. Postal Divisional Advisory Committee.

79. Rural Industries Planning Committee.

80. Shipping Co-ordination Committee.

81. Small Scale Industries Board.

82. Standing Sub-Committee on Export Promotion Schemes.

83. State Advisory Committees for the Territorial Armies in the States of Mahrashtra/Rajasthan/West Bengal.

84. Telecommunications Research Committee.

85. Wind Power Sub-Committee.

UNDER STATE GOVERNMENTS

Andhra Pradesh

1. Central Supervisory Committee for Employment Schemes.
2. State Social Welfare Advisory Committee.

Bihar

1. Gram Panchayats.

Gujarat

1. Gram Nyaya Panchayats.
2. Nagar Nyaya Panchayats.

Kerala

1. Advisory Committee for the Compilation of National Register of Records.
2. Citizens' State Council.
3. Committee for the Grant of financial assistance to individuals or institutes for production of popular scientific literature in regional languages.
4. Demographic Consultative and Co-ordination Committee.
5. District Traffic Advisory Committee.
6. Informal Consultative Committee for Community Development and Co-operation.
7. N.C.C. State Advisory Committee.
8. Regional Working Committee for the National Foundation for Teachers' Welfare.
9. Selection Committees for the Selection of Officer Cadets for Pre-Commission Training for (1) N.C.C. Army Wing, (2) N.C.C. Naval Wing and (3) N.C.C. Air Wing.
10. Selection Committee for the Selection of Officer Cadet for Pre-Commission Training for N.C.C. Girls Division.

11. State Advisory Board for Prohibition.

12. State Archives Advisory Committee.

13. State Board for Wild Life.

14. State Committee on Employment.

15. State Co-ordinating Committee for Prevention of Cruelty to Animals.

16. State Council for Women's Education.

17. State Flood Control Technical Advisory Committee.

18. State Level Committee for the Integrated Child Welfare Demonstration Project.

Madhya Pradesh

1. District Complaint Committee of non-officials.

2. District Level Advisory Committee.

3. Madhya Pradesh State Cooperative Farming Board.

4. State Level Advisory Committee.

Maharashtra

1. Local Advisory Committee for Labour Welfare Officers, Bombay.

2. Minerals sub-Committee of State Advisory Council of Industries.

3. Standing Advisory Committee (Electrical Power).

4. Standing Advisory Committee of the Quality Marking Scheme.

5. State Advisory Council of Industries.

6. State Coir Development Board.

7. Sub-Committee for the implementation of Quality Marking Scheme in respect of Leather Industry.

Orissa

1. Advisory Committee on Revision of District Gazetteers.

2. District Committees to advise on Employment in the areas covered by the District Employment Exchanges, Ganjam/Koraput/Kalahandi/Puri/Bolangir/Balasore/Dhenkanal.
3. District Coordination Committees for Vocational Guidance for the Districts of Koraput and Sundergarh.
4. District Relief Advisory Committee.
5. Executive Committee of the Utkal Gomangal Samiti.
6. Orissa State Council of Gosambardhan.
7. Political Sufferers' Pension Committee.
8. Purchase Committees for District Jails, Special Sub-jails and Sub-jails.
9. Sales Tax Advisory Committee at State level.
10. State Relief Committee.

Punjab

1. Advisory Committee for Quality Marking Centre for Engineering Goods, Jagadhari.
2. State Children's Film Committee.
3. Technical Advisory Committee on Poultry.

Rajasthan

1. Committee for grant of loans to sheep breeders.
2. Committee for grant of subsidy to the sheep breeders.
3. Rajasthan State Cooperative Farming Advisory Board.
4. Sheep and Wool Development Board.
5. State Tripartite Committee (Tech) for Cement Industry.
6. Tripartite Committee for promoting the Scheme of Joint Management Councils.

Uttar Pradesh

1 Chitrakut Dham Joint Advisory Committee comprised of the Uttar Pradesh and Madhya Pradesh Governments.
2. District Nutrition Project Implementation Committees Basti/Gorakhpur.

3. Divisional Nutrition Project Implementation Committee.

4. Zila Bhoomi Evam Jal Samrakshan Samitis constituted in different Districts.

West Bengal

1. Forest Advisory Board for West Bengal.

2. State Level Co-ordination Committee on Consumers Co-operatives.

3. State Vanamahotsava Committee for West Bengal.

APPENDIX III

Minutes of the Joint Committee on Offices of Profit

I

Thirty-first Sitting

The Committee met on Saturday, the 19th December, 1964 from 14.30 to 16.10 hours.

PRESENT

Shri G. N. Dixit—*Chairman.*

MEMBERS

Lok Sabha

2. Shri P. K. Ghosh
3. Shri Harish Chandra Heda
4. Shri Paresh Nath Kayal
5. Shri Jaswantraj Mehta
6. Shri Yuveraj Datta Singh

Rajya Sabha

7. Shri M. C. Shah
8. Shri K. V. Raghunatha Reddy

SECRETARIAT

Shri B. B. Tewari—*Deputy Secretary.*

WITNESSES

* * * *

2. Shri Khandubhai K. Desai, M. P.

* * * *

5. The Committee next considered Memoranda Nos. 316 and 316A regarding the Board of Directors of the Oil India Ltd. and heard

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****Already included in the Committee's Third Report.

Shri Khandubhai K. Desai, M.P., Chairman of that Board. Shri Khandubhai K. Desai elucidated the functions of the Board of Directors of the Oil India Ltd., and those of its Chairman, as also the amenities or facilities (including T.A. & D.A.) etc. admissible to the Chairman of the Board.

The attention of Shri Khandubhai K. Desai was invited to the following:

(i) Part I of the Schedule to the Parliament (Prevention of Disqualification) Act, 1959 which enumerates the bodies whose Chairmen are not exempt from disqualification.

(ii) Para 6 read with item 8 in Appendix I of the Second Report of the Joint Committee on Offices of Profit (Second Lok Sabha) in which the Board of Directors of the Oil India Ltd. had been recommended to be placed in part I of the Schedule to the Parliament (Prevention of Disqualification) Act, 1959 and para 9 of the Third Report of Joint Committee on Offices of Profit (Second Lok Sabha) in which the Board of Directors of the Oil India Ltd. was given as one of the instances of bodies even membership of which ought to be disqualified.

(iii) Article 96 of the Articles of Association of the Oil India Ltd. under which remuneration was payable to a Director for extra service.

6. Shri Khandubhai K. Desai was requested to furnish to the Committee his views on the following points:

(i) the distinction between the bodies included in Part I of the Schedule to the Parliament (Prevention of Disqualification) Act, 1959 and the Oil India Ltd;

(ii) the recommendations of the Joint Committee on Offices of Profit (Second Lok Sabha) contained in their Second and Third Reports referred to at para 5 (ii) above; and

(iii) whether the provisions of clause (c) of Article 95 of the Articles of Association of the Oil India Ltd. covered Article 96 *ibid* also.

Shri Khandubhai K. Desai then withdrew.

7. The Committee held over further consideration of the matter pending receipt of the views of Shri Khandubhai K. Desai on the points mentioned above.

* * * * *

II

Thirty-fifth Sitting

The Committee met on Friday, the 9th July, 1965 from 16.09 to 17.45 hours.

PRESENT

Shri G. N. Dixit—*Chairman*

MEMBERS

Lok Sabha

2. Shri M. L. Dwivedi
3. Shri P. K. Ghosh
4. Shri M. M. Haq
5. Shri Harish Chandra Heda
6. Shri Paresh Nath Kayal
7. Shri Jaswantraj Mehta

Rajya Sabha

8. Shrimati Sharda Bhargava
9. Shri M. C. Shah
10. Shri Hira Vallabha Tripathi
11. Shri K. V. Raghunatha Reddy
12. Shri Lokanath Misra

SECRETARIAT

Shri B. B. Tewari—*Deputy Secretary.*

WITNESS

Shri K. Hanumanthaiya, M.P.

2. The Committee took up for consideration Memoranda Nos. 393—430, 434 and 473 regarding composition and character of the

various Committees/Bodies appointed by the Central and State Governments.

3. The Committee considered Memorandum No. 434 regarding the Commission of Inquiry for certain matters connected with the murder of Mahatma Gandhi (Ministry of Home Affairs). The Committee noted that this body was a one man Commission of Inquiry consisting of Shri G. S. Pathak, M.P., constituted under section 3 of the Commissions of Inquiry Act, 1952. The Committee also noted that the Commission was an *ad hoc* body for a limited period and that Shri G. S. Pathak, while holding the said office of the Commission of Inquiry, would be entitled only to compensatory allowance as defined in section 2(a) of the Parliament (Prevention of Disqualification) Act, 1959. The Committee, therefore, felt that the office of Commission of Inquiry for certain matters connected with the murder of Mahatma Gandhi ought not to disqualify.

4. The Committee then considered Memorandum No. 473 regarding the Punjab Administrative Reforms Commission. The Committee desired to hear Shri K. Hanumanthaiya, M.P. Chairman of the Commission, in regard to the remuneration and amenities provided to him by the Government of Punjab in connection with the work of the Commission. Shri Hanumanthaiya's convenience was accordingly consulted on telephone and he appeared before the Committee within a few minutes. He elucidated the terms of his appointment and T.A., D.A. as also other amenities/facilities admissible to him as Chairman of the Punjab Administrative Reforms Commission.

Shri K. Hanumanthiya then withdrew.

The Committee noted that Shri K. Hanumanthaiya, M.P., as Chairman of the Commission, was entitled to T.A., D.A., etc. at the rates admissible to Members of Parliament. He was entitled to journeys by Air and was treated as a State Guest while at Chandigarh in connection with the work of the Commission.

The Committee also noted that Rule 15 of the Members of Parliament (Travelling and Daily Allowances) Rules, 1957 provides as follows:

> "15. Where a Member is provided with free board and lodging at the expense of the Government of India or a State Government or a Local Fund, he shall be entitled to receive only one-half of the daily allowance admissible to him

under section 3*. If only board or lodging is allowed free to a Member, he shall be entitled to receive three-fourths of the daily allowances admissible to him under that section."

The Committee were of the view that the Chairmanship of the Punjab Administrative Reforms Commission ought not to disqualify.

5. The Committee noticed that the members of the National Advisory Committee to review the working of the National Scholarships Scheme (Ministry of Education) were entitled to receive remuneration which was in excess of the Compensatory Allowance as defined in Section 2(a) of the Parliament (Prevention of Disqualification) Act, 1959 and, therefore, they felt that the Chairmanship, Secretaryship and Membership thereof ought not to be exempted from disqualification.

6. The Committee were of the opinion that the composition and character of the following Committees/Bodies were such that their Chairmanship or Secretaryship or Membership ought not to disqualify:—

(1) Indian National Committee for Space Research (Department of Atomic Energy).

(2) Indian National Committee for Biophysics (Department of Atomic Energy).

(3) Indian National Committee for Mathematics (Department of Atomic Energy).

(4) Standing Sub-Committee on Export Promotion Schemes (Ministry of Commerce).

(5) Export Inspection Council (Ministry of Commerce).

(6) State Advisory Committees for the Territorial Armies in the States of Maharashtra|Rajasthan|West Bengal (Ministry of Defence).

(7) Faculty Committee for Post Graduate Diploma Courses in Rural Economics and Cooperation and Rural Sociology and Community Development (Ministry of Education).

(8) Board of Scientific and Industrial Research (Ministry of Education).

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*of the Salaries and Allowances of Members of Parliament Act, 1954.

(9) Executive Council for National Metallurgical Laboratory, Jamshedpur (Ministry of Education).

(10) Executive Council for the National Aeronautical Laboratory, Bangalore (Ministry of Education).

(11) Executive Council for Birla Industrial and Technological Museum (Ministry of Education).

(12) Executive Council for Central Mechanical Engineering Research Institute, Durgapur (Ministry of Education).

(13) Executive Council for Indian Institute of Petroleum, Dehra Dun (Ministry of Education).

(14) Executive Council for Central Public Health Engineering Research Institute, Nagpur (Ministry of Education).

(15) Executive Council for Central Salt and Marine Chemical Research Institute, Bhavnagar (Ministry of Education).

(16) Executive Council for Central Scientific Instruments Organisation, Chandigarh (Ministry of Education).

(17) Executive Council for Indian National Scientific Documentation Centre, New Delhi (Ministry of Education).

(18) Executive Council for Publications and Information Directorate (Ministry of Education).

(19) Metals Research Committee (Ministry of Education).

(20) Advisory Committee of Rain and Cloud Physics Research Unit (Ministry of Education).

(21) Wind Power Sub-Committee (Ministry of Education).

(22) Telecommunications Research Committee (Ministry of Education).

(23) Executive Council for Central Indian Medicinal Plants Organisation, Lucknow (Ministry of Education).

(24) Committee Co-ordinating Technical Teachers' Training Programme (Ministry of Education).

(25) Joint Committee for Study of Indian Culture and Civilisation with a view to its projection abroad (Ministry of Education).

(26) National Committee for Radio Sciences (Ministry of Education).

(27) National Committee for Geodesy and Geophysics (Ministry of Education).

(28) National Committee for Bio-Chemistry (Ministry of Education).

(29) National Committee for International Quiet Sun Year (Ministry of Education).

7. The Committee deferred consideration of Memoranda Nos. 396, 397, 399, 401, 402, 405, 423 and 424.

8. The Committee then adjourned to meet again on Saturday, the 10th July, 1965, at 08:00 hours.

III

Thirty-sixth Sitting

The Committee met on Saturday, the 10th July, 1965 from 08·00 to 08·45 hours.

PRESENT

Shri G. N. Dixit—*Chairman.*

MEMBERS

Lok Sabha

2. Shri M. L. Dwivedi
3. Shri M. M. Haq
4. Shri Harish Chandra Heda
5. Shri Paresh Nath Kayal
6. Shri Jaswantraj Mehta.

Rajya Sabha

7. Shrimati Sharda Bhargava
8. Shri M. C. Shah
9. Shri Hira Vallabha Tripathi
10. Shri K. V. Raghunatha Reddy
11. Shri Lokanath Misra.

SECRETARIAT

Shri B. B. Tewari—*Deputy Secretary.*

2. The Committee took up for consideration Memoranda Nos. 431—433, 435—472, 474—478 and further information obtained as desired by the Committee at their earlier sittings in respect of Memoranda

Nos. 92, 104—106, 221 and 316 regarding the composition and character of the various Committees/Bodies appointed by the Central and State Governments.

3. The Committee noticed that the Directors/Members of the following Boards/Committees were entitled to receive remunerations which were in excess of the Compensatory Allowance as defined in Section 2(a) of the Parliament (Prevention of Disqualification) Act, 1959 and they were, therefore, of the opinion that the Chairmanship, Secretaryship and Membership thereof ought not to be exempted from disqualification:—

(1) Board of Directors of the Deposit Insurance Corporation (Ministry of Finance—Department of E.A.).

(2) Executive Committee of the Board of Directors of the Deposit Insurance Corporation (Ministry of Finance—Department of E.A.).

(3) Maharashtra Industrial Development Corporation (Maharashtra).

(4) Board of Directors of the Film Finance Corporation Ltd. Bombay (Ministry of Information and Broadcasting).

4. The Committee were of the view that the composition and character of the following Committees/Bodies were such that the Chairmanship or Secretaryship or Membership thereof ought not to disqualify:—

(1) Indian National Committee for Type-Cultures of Micro-organisms (Ministry of Education).

(2) Advisory Committee on Machine Guarding (Ministry of Labour and Employment).

(3) Central Joint Standing Committee (Cement) (Ministry of Labour and Employment).

(4) Evaluation Advisory Board (Planning Commission).

(5) Committee on Natural Resources (Planning Commission).

(6) Panel on Housing and Regional Planning (Planning Commission).

(7) Madhya Pradesh State Cooperative Farming Board (Madhya Pradesh).

(8) Panel on Cement Industry (Ministry of Industry and Supply).

(9) Committee for Research in Planning and Development (Planning Commission).

(10) Rural Industries Planning Committee (Planning Commission).

(11) P. & T. Advisory Council, New Delhi (P. & T. Department).

(12) Postal Divisional Advisory Committee (P. & T. Department).

(13) Shipping Co-ordination Committee (Ministry of Transport).

(14) Committee for the development of Shanti Vana (Ministry of Works & Housing).

(15) Central Supervisory Committee for Employment Schemes (Andhra Pradesh).

(16) Chitrakut Dham Joint Advisory Committee comprised of the Uttar Pradesh and Madhya Pradesh Governments.

(17) State Level Advisory Committee (Madhya Pradesh).

(18) District Level Advisory Committee (Madhya Pradesh).

(19) District Complaint Committee of non-officials (Madhya Pradesh).

(20) Local Advisory Committee for Labour Welfare Officers, Bombay (Maharashtra).

(21) Standing Advisory Committee (Electrical Power) (Maharashtra).

(22) Minerals sub-Committee of State Advisory Council of Industries. (Maharashtra).

(23) State Advisory Council of Industries (Maharashtra).

(24) State Coir Development Board (Maharashtra).

(25) District Committees to advise on Employment in the areas covered by the District Employment Exchanges, Ganjam| Koraput|Kalahandi|Puri|Bolangir | Balasore | Dhenkanal (Orissa).

(26) District Coordination Committees for Vocational Guidance for the Districts of Koraput and Sundergarh (Orissa).

(27) Purchase Committees for District Jails, Special Sub-jails and Sub-jails (Orissa).

(28) Sales Tax Advisory Committee at State level (Orissa).

(29) Executive Committee of the Utkal Gomangal Samiti (Orissa).

(30) Orissa State Council of Gosambardhan (Orissa).

(31) Advisory Committee for quality Marking Centre for Engineering Goods, Jagadhari (Punjab).

(32) Technical Advisory Committee on Poultry (Punjab).

(33) Tripartite Committee for promoting the scheme of Joint Management Councils (Rajasthan).

(34) State Tripartite Committee (Tech.) for Cement Industry (Rajasthan).

(35) Zila Bhoomi Evam Jal Sanrakshan Samitis constituted in different Districts (U.P.).

(36) Forest Advisory Board for West Bengal (West Bengal).

(37) State Vanamahotsava Committee for West Bengal (West Bengal).

(38) State Children's Film Committee (Punjab).

(39) Sheep and Wool Development Board (Rajasthan).

5. The Committee decided not to consider the Committee of Management of Shri Shahu Chhatrapati Mills, Kolhapur (Maharashtra) as this body was composed of, besides the two Ministers, officials only.

6. The Committee deferred consideration of Memoranda Nos. 105, 106, 316B, 437, 438, 446, 469 and 470.

7. The Committee decided to meet again during the next Session of Lok Sabha to consider Memorandum No. 316B regarding the Board of Directors of the Oil India Ltd.

8. The Committee then adjourned.

IV

Thirty-seventh Sitting

The Committee met on Monday, the 13th September, 1965 from 15.00 to 15.20 hours.

PRESENT

Shri G. N. Dixit—*Chairman.*

MEMBERS

Lok Sabha

2. Shri M. L. Dwivedi
3. Shri N. R. Ghosh
4. Shri Harish Chandra Heda
5. Shri Jaswantraj Mehta
6. Shri Yuveraj Dutta Singh

Rajya Sabha

7. Shri M. C. Shah
8. Shri Hira Vallabha Tripathi
9. Shri Lokanath Misra

SECRETARIAT

Shri M. C. Chawla—*Deputy Secretary.*

2. The Committee took up for consideration Memorandum No. 316B regarding the Oil India Ltd. and perused the information furnished by Shri Khandubhai K. Desai, M.P., and the Ministry of Petroleum and Chemicals, as desired by the Committee at their sitting held on the 19th December, 1964.

3. The Committee noted that the Government of India held only 50 per cent of the shares in the Oil India Ltd. and the other 50 per cent of the shares were held by the Burmah Oil Co. The Oil India

Ltd. was thus not a "Government Company" within the meaning of section 617 of the Companies Act, 1956. The Chairman was nominated alternately by the Government of India and the Burmah Oil Co. and he was not entitled to any remuneration other than the "Compensatory Allowance" as defined in section 2(a) of the Parliament (Prevention of Disqualification) Act, 1959. The functions of the Chairman were to preside over the meetings of the Board of Directors of the Oil India Ltd. and the executive authority was vested in the Managing Director who was responsible for the management of the Company.

4. The Committee also noted that by a resolution passed by the Board of Directors of Oil India Ltd. on January 16, 1964, a Director who was a Member of Parliament could not be called upon to perform any extra services etc., as envisaged in Article 96 of the Articles of Association of the Oil India Ltd.

5. The Committee felt that the composition, functions and character of the Board of Directors of the Oil India Ltd. were such that the Chairmanship or Membership thereof ought not to disqualify. They also decided to recommend that the earlier recommendations contained in para 6 read with item 8 in Appendix I of the Second Report and Para 9 of the Third Report of the Joint Committee on Offices of Profit (Second Lok Sabha) in respect of this body need not be given effect to.

6. The Committee decided to meet next on Thursday, the 28th October, 1965 at 15.00 hours.

7. The Committee then adjourned.

V

Thirty-eighth Sitting

The Committee met on Thursday, the 28th October, 1965 from 15.00 to 16.35 hours.

PRESENT

Shri G. N. Dixit—*Chairman.*

MEMBERS

Lok Sabha

2. Shri P. K. Ghosh
3. Shri M. M. Haq
4. Shri Harish Chandra Heda
5. Shri Paresh Nath Kayal

Rajya Sabha

6. Shri M. C. Shah
7. Shri Hira Vallabha Tripathi
8. Shri Lokanath Misra

SECRETARIAT

Shri M. C. Chawla—*Deputy Secretary.*

2. The Committee took up for consideration Memoranda Nos. 396, 397, 399, 401, 402, 405, 423, 424, 437, 438, 446, 469, 470, 223A, 259A, 317A, 318A, 319, 479 to 525 pertaining to the various Committees/bodies constituted by the Central and State Governments.

3. The Committee noticed that the Chairmen, Directors/Members of the following Committees/bodies were entitled to receive remuneration which was in excess of the Compensatory Allowance as defined in section 2 (a) of the Parliament (Prevention of Disqualification) Act, 1959, and, therefore, they felt that the Chairmanship and Direc-

torship/membership thereof ought not to be exempted from disqualification:—

1. Board of Directors of the Rehabilitation Industries Corporation Ltd. (Ministry of Industry).

2. Board of Directors of the Mogul Line Ltd. (Ministry of Transport).

3. Boards of Directors of Bharat Earth Movers Ltd. (Ministry of Defence).

4. Food Corporation of India (Ministry of Food and Agriculture).

5. Board of Examiners for the State of Maharashtra (Maharashtra).

4. The Committee felt that the composition, character and functions of the Board of Directors of the Hindustan Steel Ltd., Ranchi, were such that the Chairman and Managing Director thereof ought not to be exempted from disqualification. They, therefore, decided to recommend the inclusion of the Hindustan Steel Ltd. in Part II of the Schedule to the Parliament (Prevention of Disqualification) Act, 1959.

5. The Committee were of the opinion that the composition and character of the following Committees/bodies were such that the Chairmanship or Secretaryship or membership thereof ought not to disqualify:—

1. Cotton Textile Export Promotion Council (Ministry of Commerce).

2. Export Promotion Advisory Committee, Northern Region (Ministry of Commerce).

3. Council of Indian Institutes of Technology (Ministry of Education).

4. Board of Governors, Indian Institute of Technology, Delhi (Ministry of Education).

5. (1) Central Wage Board for Coffee Plantations Industry, Calcutta.

(2) Central Wage Board for Rubber Plantations Industry, Calcutta.

(3) Central Wage Board for Iron Ore Mining Industry, Calcutta.

(4) Central Wage Board for Limestone and Dolomite Mining Industries, Calcutta.

(5) Central Wage Board for Iron and Steel Industry, Indore.

(6) Central Wage Board for Coal Mining Industry, Bombay.

(7) Central Wage Board for Non-journalist Employees of Newspapers Indore. (Ministry of Labour & Employment).

6. Gram Nyaya Panchayats (Gujarat).

7. Nagar Nyaya Panchayats (Gujarat).

8. Advisory Board for the Electrical and Mechanical Engineering School (Army) (Ministry of Defence).

9. Advisory Board for the School of Signals (Army) Mhow (Ministry of Defence).

10. Advisory Board for the College of Military Engineering Kirkee (Ministry of Defence).

11. Armed Forces Medical Research Committee (Ministry of Defence).

12. Defence Electronics Research Committee (Ministry of Defence).

13. Aeronautical Research and Development Panel (Ministry of Defence).

14. Naval Research and Development Panel (Ministry of Defence).

15. Institute of Armament Technology Advisory Board (Ministry of Defence).

16. Institute of Nuclear Medicine and Allied Sciences Advisory Committee (Ministry of Defence).

17. Departmental Promotion Committee to consider cases for Merit Promotions and Advance Increments to Scientists in the Defence Science Service. (Ministry of Defence).

18. National Committee for Pure and Applied Physics (Ministry of Education).

19. National Committee for Crystallography (Ministry of Education).

20. Central Haj Committee (Ministry of External Affairs).

21. Panel of Scientists to advise Government on various matters falling in the field of animal Husbandry (Ministry of Food and Agriculture).

22. Small Scale Industries Board (Ministry of Industry and Supply).

23. Advisory Committees attached to Small Industries Service Institutes (Ministry of Industry and Supply).

24. Advisory Council for the National Academy of Administration, Mussoorie (Ministry of Home Affairs).

25. Advisory Council for Laccadive, Minicoy and Amindivi Islands (Ministry of Home Affairs).

26. Demographic Consultative and Co-ordination Committee (Kerala).

27. State Level Committee for the Integrated Child Welfare Demonstration Project. (Kerala).

28. Citizen's State Council (Kerala).

29. State Advisory Board for Prohibition (Kerala).

30. State Archives Advisory Committee (Kerala).

31. Advisory Committee for the Compilation of National Register of Records (Kerala).

32. Selection Committees for the Selection of Officer Cadets for Pre-Commission Training for (1) N.C.C. Army Wing, (2) N.C.C. Naval Wing and (3) N.C.C. Air Wing (Kerala).

33. Selection Committee for the Selection of Officer Cadet for Pre-Commission Training for N.C.C. Girls Division (Kerala).

34. N.C.C. State Advisory Committee (Kerala).

35. Regional Working Committee for the National Foundation for Teachers' Welfare (Kerala).

36. State Council for Women's Education (Kerala).

37. Committee for the Grant of financial assistance to individuals or institutes for production of popular scientific literature in regional languages (Kerala).

38. State Flood Control Technical Advisory Committee (Kerala).

39. Informal Consultative Committee for Community Development and Co-operation. (Kerala).

40. District Traffic Advisory Committee (Kerala).

41. State Committee on Employment (Kerala).

42. State Relief Committee (Orissa).

43. District Relief Advisory Committee (Orissa).

44. Advisory Committe on Revision of District Gazetteers (Orissa).

45. Rajasthan State Co-operative Farming Advisory Board (Rajasthan).

46. Divisional Nutrition Project Implementation Committee (Uttar Pradesh).

47. District Nutrition Project Implementation Committees Basti/Gorakhpur (U.P.).

48. State Level Co-ordination Committee on Consumers' Co-operatives (West Bengal).

6. The Committee deferred consideration of Memoranda Nos. 397, 401, 502 and 515 regarding the following bodies pending receipt of further information on the points mentioned against them respectively:—

(1) Silk and Rayon Textiles Export Promotion Council (Ministry of Commerce).	(a) Authorised Fund of the Council and the sources thereof.
	(b) Money subscribed and/or granted by the Government.
	(c) Powers of the Government in the matter of constituting the Council and running its affairs.

(2) Mineral Ores Export Advisory Committee (Ministry of Commerce).	Actual rates of T.A., D.A. and/or any other remuneration payable to the Chairman and Managing Director.
(3) District Advisory Committees for Harijan Welfare (for 9 districts) (Kerala). (4) State Family Planning Board (Kerala).	Actual rates of T.A. payable to the members of these Committees/Board.

7. The Committee decided not to consider the Board of Directors of the National Projects Construction Corporation Ltd. (Ministry of Irrigation and Power) as all Directors thereof were officials.

8. The Committee deferred consideration of Memoranda Nos. 402, 405, 438, 446, 318A and 521 to their next sitting.

9. The Committee then adjourned to meet again on Friday, the 29th October, 1965 at 11·30 hours.

VI

Thirty-ninth Sitting

The Committee met on Friday, the 29th October, 1965 from 11.30 to 13.15 hours.

PRESENT

Shri G. N. Dixit—*Chairman.*

MEMBERS

Lok Sabha

2. Shri M. L. Dwivedi
3. Shri P. K. Ghosh
4. Shri M. M. Haq
5. Shri Harish Chandra Heda
6. Shri Paresh Nath Kayal
7. Shri Jaswantraj Mehta.

Rajya Sabha

8. Shrimati Sharda Bhargava
9. Shri M. C. Shah
10. Shri Hira Vallabha Tripathi
11. Shri Lokanath Misra.

SECRETARIAT

Shri M. C. Chawla—*Deputy Secretary.*

2. The Committee took up for consideration Memoranda Nos. 105, 106, 257, 258 and 333 in the light of further information received form the Government as desired by the Committee at their earlier sittings, and Memoranda Nos. 402, 405, 438, 446, 318A and 521.

3. The Committee were of the opinion that the composition and character etc. of the following Committees were such that the Chairmanship or Secretaryship or Membership thereof ought not to disqualify:—

(1) Committee for grant of subsidy to the sheep breeders (Rajasthan).

(2) Committee for grant of loans to Sheep breeders (Rajasthan).

4. The Committee noted that the Divisional Development Councils, Baroda/Rajkot Divisions had since ceased to exist.

5. The Committee held over consideration of the following bodies pending receipt of further information on points mentioned against them:—

(1) Board of Directors of the Hindustan Photo Films Manufacturing Company Ltd. (Ministry of Industry).	Actual rates of T.A., D.A. and/or any other remuneration payable to the Chairman and Managing Director.
(2) Board of Directors of the National Industrial Development Corporation Ltd. (Ministry of Industry).	Actual rates of T.A., D.A. and/or any other remuneration payable to the Chairman and Managing Director.
(3) Board of Directors of the Maharashtra State Financial Corporation (Maharashtra).	Names of "other parties" electing a Director and the manner of his election.

6. The Committee then considered the Board of Directors of the National Newsprint and Paper Mills Ltd. In this connection, the Committee also perused the Judgment of the Supreme Court in G. Basu's case (A.I.R. 1964 SC 254) in which the Supreme Court had indicated the tests for determining whether an office was "under the Government" or not. After some discussion, the Committee deferred further consideration of this body pending receipt of further information on the following points:

(i) T.A., D.A. and/or any other remuneration payable to the "other" shareholders' Director.

(ii) The date from which the present Director representing the "other" shareholders was elected to the Board of Directors

(iii) Whether the rules provided his election by the "private" shareholders only or by all the shareholders including the Government of India and the Government of Madhya Pradesh.

(iv) An uptodate copy of the Memorandum and Articles of Association of the Company and of the Agreement between the old private Company and the Madhya Pradesh Government, on the one hand, and that between the Madhya

Pradesh Government and the Government of India on the other, agreeing to the reconstruction of the capital structure of this Undertaking consequent on the Central take-over in 1958.

The Committee decided that Raja Bahadur Birendra Bahadur Singh, M.P., director of this Company might also be invited to the next sitting of the Committee for necessary clarification and information.

7. The Committee noted that the following bodies were registered under the Societies Registeration Act and were autonomous in character:

(1) Governing Body of the Indian Institute of Foreign Trade (Ministry of Commerce).

(2) Kendriya Sanskrit Vidyapeetha Tirupati Society (Ministry of Education).

(3) Central Board for Workers Education (Ministry of Labour & Employment).

(4) Governing Council of the Central Machine Tool Institutes, Bangalore (Ministry of Steel, Mines and Heavy Engineering).

The Committee felt *prima facie* that they could be excluded from the purview of their consideration. In this connection, the Committee also perused the Judgment of the Supreme Court in the case of Abdul Shakoor *vs* Rikhab Chand (A.I.R. 1958 SC 52). The Committee, however, desired that the question of bodies registered under the Societies Registeration Act might be examined from all aspects and a memorandum on the subject prepared for consideration of the Committee.

8. The Committee then adjourned.

VII

Fortieth Sitting

The Committee met on Tuesday, the 7th December, 1965 from 15.30 to 16.05 hours.

PRESENT

Shri G. N. Dixit—*Chairman.*

MEMBERS

Lok Sabha

2. Shri M. L. Dwivedi.
3. Shri N. R. Ghosh.
4. Shri M. M. Haq.
5. Shri Jaswantraj Mehta.
6. Shri Yuveraj Dutta Singh.

Rajya Sabha

7. Shrimati Sharda Bhargava.
8. Shri Hira Vallabha Tripathi.

SECRETARIAT

Shri M. C. Chawla—*Deputy Secretary.*

WITNESS

Raja Bahadur Birendra Bahadur Singh, M.P.

2. The Committee took up for consideration Memorandum No. 446A regarding the Board of Directors of the National Newsprint and Paper Mills Ltd., Nepanagar.

Raja Bahadur Birendra Bahadur Singh, M.P., an elected Director representing the 'other Shareholders' of the Nepa Mills Ltd. elucidated the mode of his election as a Director of the Company and the

rates of T.A., D.A. and other remuneration payable to him for attending the meetings of the Board of Directors. He undertook to submit a copy of the Resolution by virtue of which he was last elected as a Director of the Company.

(*Raja Bahadur Birendra Bahadur Singh then withdrew*).

3. After some discussion, the Committee decided that the Secretary of the Ministry of Industry and Supply should be asked to appear before them at the next sitting of the Committee to elucidate certain further points in connection with the composition and character of the Board of Directors of the Nepa Mills Ltd.

4. The Committee then adjourned to meet again on Friday, the 28th January, 1966 at 11.00 hours.

VIII

Forty-first Sitting

The Committee met on Friday, the 28th January, 1966 from 16.30 to 17.30 hours.

PRESENT

Shri G. N. Dixit—*Chairman.*

MEMBERS

Lok Sabha

2. Shri M. L. Dwivedi.
3. Shri N. R. Ghosh.
4. Shri P. K. Ghosh.
5. Shri M. M. Haq.
6. Shri Harish Chandra Heda.
7. Shri Paresh Nath Kayal.
8. Shri Jaswantraj Mehta.

Rajya Sabha

9. Shrimati Sharda Bhargava.
10. Shri M. C. Shah.
11. Shri Hira Vallabha Tripathi.
12. Shri K. V. Raghunatha Reddy.
13. Shri Lokanath Misra.

SECRETARIAT

Shri M. C. Chawla—*Deputy Secretary.*

WITNESSES

1. Dr. K. B. Rao, *O.S.D., Ministry of Industry & Supply, New Delhi.*

2. Shri P. L. Singhania, *Dy. General Manager and Secretary, Nepa Mills.*

3. Shri Y. R. Swamy, *Financial Controller, Nepa Mills.*

2. The Committee took up consideration of Memo. No. 446B relating to the Board of Directors of Nepa Mills Ltd.

3. Dr. K. B. Rao, O.S.D., Ministry of Industry, elucidated information already furnished by the Ministry regarding the composition of the Board of Directors, the procedure of election/nomination of the Directors and about the voting rights of the three main groups of shareholders, namely (1) Government of India, (2) Government of Madhya Pradesh and (3) the 'other' Shareholders which were in the proportion of 51:34: 15 respectively. Dr. Rao informed the Committee that the three parties were entitled to nominate certain number of Directors and the Directors thus nominated by them were later formally elected at the Annual General Meeting. All the non-official Directors, including Major Raja Bahadur Birendra Bahadur Singh, M.P., were allowed Rs. 100/- per day as daily allowance and Rs. 100/- as the sitting fee per sitting of the Board. In reply to a question, Dr. Rao stated that although Major Raja Bahadur Birendra Bahadur Singh had been drawing these allowances on earlier occasions, he had not done so in respect of the last sitting of the Board.

(*The Witnesses then withdrew*).

4. The Committee, then discussed at some length the implications of the various issues involved in this case as to whether the Raja Bahadur incurred disqualification in terms of the existing legislation and observed as below:

> "Chairman and Managing Director are non-officials. There are six official Directors and two non-official Directors. The Directors are appointed by the Government or by the Shareholders at the General Meeting, the majority of shares being held by the Government of India. The Directors are allowed Rs. 100 per day as daily allowance and Rs. 100 as the sitting fee. In view of these facts, the Committee are of the opinion that even Directorship of this Company shall disqualify".

5. The Chairman apprised the Committee of the latest reply received from the Ministry of Law regarding the introduction in

Parliament of the Bill incorporating the recommendations made by the Committee in their earlier reports from time to time. He also mentioned that he was addressing a D.O. letter on the subject to the Minister of Law.

6. The Committee then adjourned to meet again at 14.30 hours on Sunday, the 30th January, 1966 to take up consideration of the remaining items on the Agenda.

IX

Forty-second Sitting

The Committee met on Sunday, the 30th January, 1966 from 14.30 to 15.35 hours.

PRESENT

Shri G. N. Dixit—*Chairman*

MEMBERS

Lok Sabha

2. Shri M. L. Dwivedi
3. Shri P. K. Ghosh
4. Shri M. M. Haq
5. Shri Harish Chandra Heda
6. Shri Paresh Nath Kayal
7. Shri Jaswantraj Mehta

Rajya Sabha

8. Shrimati Sharda Bhargava
9. Shri M. C. Shah
10. Shri Hira Vallabha Tripathi
11. Shri Lokanath Misra

SECRETARIAT

Shri M. C. Chawla—*Deputy Secretary.*

2. The Committee resumed consideration of the remaining items on the Agenda (Memo. Nos. 526—553 and statement showing further information received in respect of Memo No. 338) which were held over at their earlier sitting held on the 28th January, 1966.

3. The Committee first took up consideration of Memo. No. 526 relating to the exclusion from purview of the Committee/bodies

registered under the various Societies Registration Acts (Central and States). The Committee noted that the employees of such bodies would obviously not be holding an office "Under the Government" but only under the Societies which were autonomous in character. Further, generally speaking membership of Governing Councils of such bodies was honorary or at the most some compensatory or conveyance allowances might be admissible in some cases. The remuneration payable to them would thus be less than the 'Compensatory Allowance' as defined in Section 2(a) of the Parliament (Prevention of Disqualification) Act, 1959.

The Committee, therefore, decided that the composition and character etc. of the bodies registered under the Societies Registration Acts need not generally be examined by them unless any particular case merited consideration by them.

4. The Committee were of the view that the composition and character etc. of the following committees/bodies were such that their Chairmanship, Secretaryship or membership ought not to disqualify within the meaning of the Parliament (Prevention of Disqualification) Act, 1959:—

1. Indian National Committee for Astronomy (Ministry of Civil Aviation).
2. Port Import Advisory Committees at Bombay/Calcutta/Madras/Delhi/Panjim (Goa) (Ministry of Commerce).
3. National Committee for the International Hydrological Decade (Ministry of Education).
4. National Committee to co-ordinate and review the Progress and Results of Nation-wide Agricultural Demonstrations (Ministry of Food and Agriculture).
5. Co-ordination Committee on the Urban Community Development Programme (Ministry of Health).
6. Central Advisory Committee for Venereal Diseases and Yaws (Ministry of Health).
7. Advisory Committee for the Film Institute of India, Poona (Ministry of Information and Broadcasting).
8. Central Advisory Committee for Advertising and Visual Publicity (Ministry of Information and Broadcasting).
9. Central Wakf Council (Ministry of Petroleum and Chemicals).

10. Co-ordination Committee of Planning Forums in the Planning Commission (Planning Commission).

11. Central Advisory Board for Harijan Welfare (Department of Social Security).

12. Committee on Child Welfare (Department of Social Security).

13. Committee to consider matters relating to the installation of statues of national leaders in Delhi (Ministry of Works and Housing).

14. State Social Welfare Advisory Committee (Andhra Pradesh).

15. State Co-ordinating Committee for Prevention of Cruelty to Animals (Kerala).

16. State Board for Wild Life (Kerala).

17. Standing Advisory Committee of the Quality Marking Scheme (Maharashtra).

18. Sub-Committee for the implementation of Quality Marking Scheme in respect of Leather Industry (Maharashtra).

19. Political Sufferers' Pension Committee (Orissa).

20. Panel of Farmers to advise the Agricultural Prices Commission (Ministry of Food and Agriculture).

21. Gram Panchayats (Bihar).

5. The Committee deferred consideration of Memo. No. 533 relating to the Nature Cure Advisory Committee and Memo. No. 534 relating to the Board of Inspection of Voluntary Institutions to which Central grants are given under the Scheme of grants to T.B., Leprosy, Cancer and other Institutions pending receipt of further information regarding remuneration (including T.A., D.A., honorarium etc.) payable and other amenities/perquisites provided to the Chairmen thereof.

6. The Committee then considered Memorandum No. 548 relating to the Agricultural Prices Commission. The Committee noticed that the Chairman, Secretary and members of the Commission were entitled to receive an amount in excess of the 'Compensatory allowance' as defined in Section 2(a) of the Parliament (Prevention of Disqualification) Act, 1959 and, therefore, felt that the Chairmanship,

Secretaryship and Membership of this Commission ought not to be exempted from disqualification.

7. Lastly, the Committee, examined the following Memoranda:—

1. Board of Directors of Agricultural Refinance Corporation (Ministry of Finance—Department of Economic Affairs).
2. Executive Committee of the Board of Directors of the Agricultural Refinance Corporation (Ministry of Finance—Department of Economic Affairs).
3. Board of Trustees of the Unit Trust of India (Ministry of Finance—Department of Economic Affairs).
4. Executive Committee of the Board of Trustees of the Unit Trust of India (Ministry of Finance—Department of Economic Affairs).

The Committee noted that the above bodies were constituted under certain Acts passed by Parliament and that at present there was no Member of Parliament on them. There being, however, provisions in the relevant Acts for the election of some Directors from (1) State Co-operative Banks, (2) Central Land Mortgage Banks, (3) Scheduled Banks and other financial institutions which had got shares in these bodies, the Committee felt that at one stage or the other a Member of Parliament could be elected on them as a representative of any one or more of these institutions. They, therefore, deferred consideration of these bodies along with similar statutory bodies like the Deposit Insurance Corporation and its executive Committee, in respect of which certain elucidation had been earlier sought for from the Ministry of Finance.

8. The Committee then adjourned.

X

Forty-third Sitting

The Committee met on Wednesday, the 9th March, 1966 from 14.30 to 15.00 hours.

PRESENT

Shri G. N. Dixit—*Chairman.*

MEMBERS

Lok Sabha

2. Shri Rajendranath Barua
3. Shri M. L. Dwivedi
4. Shri Paresh Nath Kayal

Rajya Sabha

5. Shrimati Sharda Bhargava
6. Shri M. C. Shah
7. Shri K. V. Raghunatha Reddy

SECRETARIAT

Shri M. C. Chawla—*Deputy Secretary*

2. The Committee took up consideration of Memorandum No. 554 regarding the Board of Directors of the Cement Corporation of India Ltd.

3. In this connection, the Chairman apprised the Committee of the letter received by him from Dr. B. V. Keskar, Chairman of the Cement Corporation of India Ltd., and also of the letter received by him from Shri N. S. Kajrolkar, M.P., regarding the National Industrial Development Corporation Limited and India Tourism Transport Undertaking.

4. After some discussion, the Committee decided to defer further consideration of these bodies pending receipt of fuller information relating thereto from the Ministries concerned.

5. The Committee then adjourned.

XI

Forty-fourth sitting

The Committee met on Wednesday, the 23rd March, 1966 from 16.15 to 16.40 hours.

PRESENT

Shri G. N. Dixit—*Chairman*

MEMBERS

Lok Sabha

2. Shri Rajendranath Barua
3. Shri M. L. Dwivedi
4. Shri N. R. Ghosh

Rajya Sabha

5. Shrimati Sharda Bhargava
6. Shri M. C. Shah
7. Shri K. V. Raghunatha Reddy
8. Shri Lokanath Misra

SECRETARIAT

Shri M. C. Chawla—*Deputy Secretary.*

2. The Committee considered their Draft Fourth Report and adopted it.

3. The Committee decided that the Report might be presented to Lok Sabha on Wednesday, the 30th March, 1966 and laid on the Table of Rajya Sabha on the same day.

4. The Committee authorised the Chairman and, in his absence, Shri M. L. Dwivedi to present the Report to Lok Sabha on their behalf.

5. The Committee authorised Shrimati Sharda Bhargava and, in her absence, Shri M. C. Shah to lay the Report on the Table of Rajya Sabha.

6. The Committee authorised the Chairman to fix the date of next sitting of the Committee.

7. The Committee then adjourned.

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